

220007

August 9, 2007

The Honorable Vernon A. Williams Secretary Surface Transportation Board Attn. STB Ex Parte No. 670 395 E Street, S W. Washington, DC 20423-0001

Establishment of a Rail Energy Transportation Advisory Committee, Re STB Ex Parte No. 670

Dear Secretary Williams:

Dairyland Power Cooperative nominates William L (Bill) Berg to serve as an electric utility representative on the new Rail Energy Transportation Advisory Committee Dairyland's status as an electric cooperative also qualifies Bill to serve as a member representative from this class of shippers

As CEO of Dairyland Power, Bill Berg is eminently qualified to serve and contribute to the important efforts of this committee. More than 90% of Dairyland's power is produced with coal in its three electric generating plants. Dairyland uses 3.2 million tons of coal annually, including about 2.3 million tons of low-sulfur coal from the Powder River Basin (PRB). As one of the smaller shippers of PRB coal, Dairyland has been a vocal advocate, willing to speak for the interests of smaller entities in a field dominated by much bigger companies.

Compared to most other users of PRB coal, Dairyland's transportation logistics are relatively complex. Two of our plants were designed to burn Illinois coal, but for the last couple decades, these plants have blended PRB and bituminous coals to reduce sulfur-dioxide emissions. The other plant uses PRB coal exclusively. All of Dairyland's coal starts its journey on rail, but about half of it transloads to barge for the final leg of the journey to our plants on the Upper Mississippi River (UMR). Barge navigation on the UMR is seasonal and is limited to the approximately seven-and-a-half months when the river is ice-free. As a result, Dairyland must ship coal for 12 months of consumption in the seven-and-a-half month barge season.

Dairyland's service area is rural in nature and the agriculture sector is an important part of our customer base. Dairyland has been directly impacted by the boom in ethanol development and we have a strong interest in and appreciation for the significance of rail transportation for this industry.



The Honorable Vernon A. Williams Page 2 August 9, 2007

Dairyland Power is a Generation & Transmission cooperative that serves 25 distribution cooperatives. Bill has been Dairyland's President & CEO since 1990. He is a member of the Environmental Task Force of the National Rural Electric Cooperative Association and the U.S. Department of Agriculture and U.S. Department of Energy Biomass Research & Development Technical Advisory Committee. Under Bill's leadership, Dairyland was recently recognized by the United States Department of Agriculture for their valuable contributions to creating innovative partnerships that serve their cooperative members with renewable energy. He is a past-president of the National G&T Managers' Association and has served on the Board of Directors of the Electric Power Research Institute.

In summary, Bill is uniquely qualified to serve the Rail Energy Transportation Advisory Committee in its role to provide advice and guidance to the Board regarding the transportation by rail of energy resources. His understanding of coal transportation and his ability to balance difficult competing interests will make him a valuable member of this group

I recommend Mr. Berg to the Board for their lavorable consideration

Sincerely,

DAIRYLAND POWER COOPERATIVE

Clarence L Boettcher

Clarene I Bottele

Chairman